

111TH CONGRESS  
1ST SESSION

# H. R. 2826

To amend the Internal Revenue Code of 1986 to allow employers a credit against income tax for the cost of teleworking equipment and expenses.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 11, 2009

Ms. BEAN (for herself, Mr. CARSON of Indiana, Mr. RODRIGUEZ, Mr. ISRAEL, Mr. RYAN of Ohio, Mr. HIMES, and Ms. SHEA-PORTER) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to allow employers a credit against income tax for the cost of teleworking equipment and expenses.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Family Work Flexi-  
5       bility Act of 2009”.

6       **SEC. 2. EMPLOYER CREDIT FOR TELEWORKING EQUIP-**  
7       **MENT AND EXPENSES.**

8       (a) IN GENERAL.—Subpart D of part IV of sub-  
9       chapter A of chapter 1 of the Internal Revenue Code of

1 1986 (relating to business related credits) is amended by  
2 adding at the end the following new section:

3 **“SEC. 45R. TELEWORKING EQUIPMENT CREDIT.**

4 “(a) IN GENERAL.—In the case of an employer, the  
5 teleworking credit determined under this section is an  
6 amount equal to—

7 “(1) the cost of qualified teleworking equipment  
8 placed in service by the taxpayer during the taxable  
9 year, and

10 “(2) the amount of expenses paid or incurred  
11 by the taxpayer during the taxable year to maintain  
12 qualified teleworking equipment.

13 “(b) LIMITATION.—The credit determined under this  
14 section for a taxable year shall not exceed the lesser of—

15 “(1) \$500 with respect to each teleworking em-  
16 ployee of the employer, or

17 “(2) \$50,000.

18 “(c) DEFINITIONS.—For purposes of this section—

19 “(1) QUALIFIED TELEWORKING EQUIPMENT.—  
20 The term ‘qualified teleworking equipment’ means  
21 telecommunication equipment—

22 “(A) which is used to enable employees of  
23 the taxpayer to telework, and

24 “(B) the original use of which begins with  
25 the taxpayer.

1           “(2) TELEWORKING EMPLOYEE.—The term  
2           ‘teleworking employee’ means any employee of the  
3           taxpayer who performs services for the taxpayer  
4           under an arrangement under which the employee  
5           teleworks for the taxpayer at least 20 hours per  
6           week during the taxable year.

7           “(3) TELEWORK.—The term ‘telework’ means  
8           to perform work functions using electronic informa-  
9           tion and communication technologies and thereby re-  
10          ducing or eliminating the physical commute to and  
11          from the traditional worksite.

12          “(d) SPECIAL RULES.—

13               “(1) BASIS REDUCTION.—For purposes of this  
14               subtitle, the basis of any property for which a credit  
15               is determined under subsection (a) shall be reduced  
16               by the amount of credit so determined.

17               “(2) CONTROLLED GROUPS.—All persons treat-  
18               ed as a single employer under subsection (a) or (b)  
19               of section 52 or subsection (m) or (o) of section 414  
20               shall be treated as one person for purposes of this  
21               section.

22               “(3) RECAPTURE.—The Secretary shall, by reg-  
23               ulations, provide for recapturing the benefit of any  
24               credit allowable under subsection (a) with respect to

1 any property which ceases to be property eligible for  
 2 such credit during the useful life of such property.

3 “(4) PROPERTY USED OUTSIDE UNITED  
 4 STATES, ETC., NOT QUALIFIED.—No credit shall be  
 5 allowed under subsection (a) with respect to any  
 6 property referred to in section 50(b) or with respect  
 7 to expenses related to such property.

8 “(5) ELECTION NOT TO TAKE CREDIT.—No  
 9 credit shall be allowed under subsection (a) for any  
 10 property or expense if the taxpayer elects to have  
 11 this section not apply with respect to such property  
 12 or expense.

13 “(6) DENIAL OF DOUBLE BENEFIT.—No deduc-  
 14 tion shall be allowed under this chapter with respect  
 15 to any expense which is taken into account in deter-  
 16 mining the credit under this section.”.

17 (b) CONFORMING AMENDMENT.—Subsection (a) of  
 18 section 1016 of such Code is amended by striking “and”  
 19 at the end of paragraph (36), by striking the period at  
 20 the end of paragraph (37) and inserting “, and”, and by  
 21 adding at the end the following new paragraph:

22 “(38) to the extent provided in section  
 23 45R(d)(1).”.

24 (c) CREDIT TO BE PART OF GENERAL BUSINESS  
 25 CREDIT.—Section 38(b) of such Code is amended by strik-

1 ing “plus” at the end of paragraph (34), by striking the  
2 period at the end of paragraph (35) and inserting “, plus”,  
3 and by adding at the end of following new paragraph:

4 “(36) in the case of an employer, the tele-  
5 working credit determined under section 45R(a).”.

6 (d) CLERICAL AMENDMENT.—The table of sections  
7 for subpart D of part IV of subchapter A of chapter 1  
8 of such Code is amended by adding at the end the fol-  
9 lowing new item:

“Sec. 45R. Teleworking equipment credit.”.

10 (e) EFFECTIVE DATE.—The amendments made by  
11 this section shall apply to property placed in service, and  
12 expenses paid or incurred, after the date of the enactment  
13 of this Act in taxable years ending after such date.

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